

**CALIFORNIA BOARD OF ACCOUNTANCY**

2000 EVERGREEN STREET, SUITE 250

SACRAMENTO, CA 95815-3832

TELEPHONE: (916) 263-3680

FACSIMILE: (916) 263-3676

WEB ADDRESS: <http://www.dca.ca.gov/cba>**ACCOUNTANCY CORPORATION NAME CHANGE CHECK SHEET**

AN ACCOUNTANCY CORPORATION NAME CHANGE IS REQUIRED TO BE APPROVED BY THE CALIFORNIA BOARD OF ACCOUNTANCY (Board) BEFORE PRACTICING AND HOLDING OUT TO THE PUBLIC UNDER AN AMENDED NAME.

- ❖ The application must be completed in its entirety.
- ❖ All requested documents must accompany the application.
- ❖ Copies of the requested documentation are acceptable.
- ❖ The name change application fee of \$150 must accompany the application.

If the application is not complete, it will be returned for appropriate documentation. Once an application is complete, allow eight to ten weeks for processing.

The following check sheet is intended to assist you with filing a complete name change application.

COMPLETION OF THE APPLICATION FOR CORPORATION NAME CHANGE☐ FEE FOR LICENSURE

The name change application fee is \$150. A check, money order, or cashier's check made payable to the California Board of Accountancy must accompany the application.

☐ APPROPRIATE USE OF CORPORATE NAME

The name of the firm must meet the requirements set forth in Section 5060 of the Business and Professions Code and Section 75.5 of Title 16 of the California Code of Regulations. Because Board staff is unable to provide guidance regarding firm structure and whether a particular firm name will be considered false or misleading by your clients, licensees are encouraged to contact their legal counsel for guidance.

☐ COPY OF THE AMENDED ARTICLES OF INCORPORATION

The amended Articles of Incorporation must be endorsed and approved by the California Secretary of State. The name on the amended Articles of Incorporation must match the name on the name change application. Information on filing amended Articles of Incorporation is available on the California Secretary of State's Web site at www.ss.ca.gov/business.

☐ SHAREHOLDERS, DIRECTORS, AND OFFICERS

Pursuant to Section 5154 of the Business and Professions Code, except as provided in Section 5079 of the Business and Professions Code and Section 13403 of the Corporations Code (Moscone-Knox Professional Corporation Act), each director, shareholder and officer shall hold a valid license to practice public accountancy. The list of shareholders, directors, and officers must be completed on the Board's name change application.

Pursuant to Section 5158 of the Business and Professions Code each office of an accountancy corporation engaged in the practice of public accountancy in this state shall be managed by a certified public accountant (CPA) or public accountant (PA).

☐ OUT-OF-STATE SHAREHOLDERS

Section 5154 of the Business and Professions Code requires each CPA/PA shareholder to hold a valid license to practice public accountancy.

An out-of-state CPA or PA wanting to practice in California must file an application for licensure as a CPA and meet the requirements set forth in Sections 5087 and 5088 of the Business and Professions Code, as well as Section 21 of Title 16 of the California Code of Regulations.

☐ NONLICENSEE OWNERS

Section 5079 of the Business and Professions Code permits minority ownership of public accounting firms by individuals who are not licensed CPAs or PAs. This section applies to both accountancy corporations and accountancy partnerships.

At initial licensure and at license renewal, Section 51 of Title 16 of the California Code of Regulations requires firms with nonlicensee owners to certify that any nonlicensee owner(s) with his or her principal place of business in California has been informed of the rules of professional conduct applicable to accountancy firms.

This declaration must be signed by a licensed shareholder of the firm (see page 3 of the application).

The number of licensed shareholders must be greater than the number of nonlicensee shareholders. The only exception is that a firm with two shareholders may have one shareholder who is a nonlicensee.

A nonlicensee can be an officer of the firm, either vice president and/or secretary, if the nonlicensee is not a shareholder of the firm. A nonlicensee cannot be both a shareholder and an officer of the firm. A nonlicensee cannot be a director of the firm.

☐ ACCOUNTANCY CORPORATION DECLARATION STATEMENT

The declaration statement(s) must be signed and dated by an officer who is a licensee with a valid license to practice public accounting. Firms with nonlicensee shareholders must complete the nonlicensee owner(s) declaration (see page 3 of the application).

☐ SHAREHOLDER SECURITY FOR CLAIMS AGAINST CORPORATION AGREEMENT

Section 75.8 of Title 16 of the California Code of Regulations requires an accountancy corporation to provide and maintain adequate security for claims against it by its clients arising out of the rendering of, or failure to render, professional services. Security for such claims must consist of either maintaining insurance in the amount specified in Section 75.8(a)(1) or by agreeing to jointly and severally guarantee payment by the corporation of its liabilities to its clients specified in Section 75.8(a)(2).

CPA/PA shareholder(s) and nonlicensee shareholder(s) must complete and sign the Shareholder Security for Claims Against Corporation Agreement by selecting either Alternative #1 or Alternative #2 on the application for licensure (see page 4 of the application).

☐ CORPORATION RENEWAL CYCLE

Pursuant to Sections 5070.5, 5070.6, 5070.7 and 5070.8 of the Business and Professions Code, an accountancy corporation license must be renewed every two years to remain in good standing. The expiration date is based on the month and year the Board originally approved the application.

If approved in an even-numbered year, the license will expire each even-numbered year on the last day of the month in which it was originally approved. If approved in an odd-numbered year, the license will expire each odd-numbered year on the last day of the month in which it was originally approved.

The Board mails renewal forms with instructions approximately two months before the firm's license expiration date. If your renewal form is not completed, mailed, and postmarked by the license expiration date, your firm's practice rights cease until all deficiencies are corrected, and the license is renewed by the Board.

An expired corporation license may be renewed up to five years after the license's expiration date. A license that is not renewed within five years is cancelled and cannot be renewed, restored, or reinstated.

☐ CHANGE OF FIRM NAME, ADDRESS, AND/OR SHAREHOLDERS

Section 3(b)(1) of Title 16 of the California Code of Regulations requires a licensed firm to notify the Board of any change in its address within 30 days after the change. Section 75.11(b) of Title 16 of the California Code of Regulations also requires each accountancy corporation to report to the Board any and all changes of address, corporate name, and shareholders within 30 days of any such change, giving both its old and its new addresses or names.

If you are changing the firm's address or telephone number or adding or disassociating a shareholder without changing the firm's name, you may notify the Board on firm letterhead.

If the firm's name is changing as a result of adding or disassociating a shareholder, you must complete the *Accountancy Corporation Name Change Application*. The firm's name change must be approved by the Board before the firm can hold out and practice under an amended name. A copy of the Amended Articles of Incorporation endorsed and approved by the California Secretary of State must accompany the application.

☐ DISSOLUTION OF AN ACCOUNTANCY CORPORATION

To dissolve an accountancy corporation, you must contact the California Secretary of State and file a *Certificate of Election to Wind Up and Dissolve* with a *Certificate of Dissolution*. Information about dissolving a corporation is available on the Secretary of State's Web site at www.ss.ca.gov/business.

Upon completion of the above, submit a letter to the Board stating the firm has dissolved and provide the effective date. Upon receipt of the letter, the firm's license will be cancelled.

QUESTIONS

If you have questions or are unable to locate the information you need, please fax your questions to (916) 263-3676, email to firminfo@cba.ca.gov or contact Board staff at (916) 561-1701.

Personal Information Collection and Access: The information provided in this form will be used by the California Board of Accountancy, to determine qualifications for an Accountancy Corporation Name Change. Sections 5035 through 5158 of the Business and Professions Code authorize the collection of this information. Failure to provide any of the required information is grounds for rejection of the form as being incomplete. Information provided may be transferred to the Department of Justice, a District Attorney, a City Attorney, or to another government agency as may be necessary to permit the Board, or the transferee agency, to perform its statutory or constitutional duties, or otherwise transferred or disclosed as provided in Civil Code Section 1798.24. Each individual has the right to review his or her file, except as otherwise provided by the Information Practices Act. The Executive Officer of the California Board of Accountancy is responsible for maintaining the information in this form, and may be contacted at 2000 Evergreen Street, Suite 250, Sacramento, CA 95815, telephone number (916) 263-3680 regarding questions about this notice or access to records.

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For Office Use Only

Cert. No. _____

Date _____

ACCOUNTANCY CORPORATION

NAME CHANGE APPLICATION

The following must accompany the application:

1. A copy of the amended Articles of Incorporation endorsed by the California Secretary of State.
2. The name change application fee of \$150.

(Please Print or Type)

1. New Corporation Name (Must comply with Section 5060 of the Business and Professions Code.)			
2. Former Corporate Name			Corporation No.
3. Corporate Number, California Secretary of State:		Date Issued	Firm Telephone Number (Optional)
4. Address of Practice:		City	State
			ZIP Code

5. CURRENT DIRECTOR(S) - See Section 13403 of the Corporations Code and Section 5154 of the Business & Professions Code. Only CPAs/PAs can be director(s) of an accountancy corporation.

LAST NAME	FIRST	MIDDLE	LICENSE NO./STATE

6. FORMER DIRECTOR(S)

LAST NAME	FIRST	MIDDLE	LICENSE NO./STATE

Date of Change: _____ 20____

MONTH DAY

7. **CURRENT OFFICER(S)** - Names of all officer(s) shall be shown – see Section 13403 of the Corporations Code and Section 5154 of the Business and Professions Code. The Vice-President and Secretary may be nonlicensee owners if the corporation has only one CPA/PA shareholder.

	LAST	FIRST	MIDDLE	LICENSE NO./STATE
President				
Vice-President				
Secretary				
Treasurer				

FORMER OFFICER(S)

President	LAST	FIRST	MIDDLE	LICENSE NO./STATE
Vice-Pres.				
Secretary				
Treasurer				
Date of Change: _____ 20 _____ MONTH DAY				

8. **CURRENT CALIFORNIA CPA/PA SHAREHOLDERS**. List the names of all California licensed CPA/PA shareholder(s) – see Section 13403 of the Corporations Code and Section 5154 of the Business and Professions Code. (Attach supplemental sheet if more space is required.)

LAST NAME	FIRST	MIDDLE	LICENSE NO.

FORMER CALIFORNIA CPA/PA SHAREHOLDER(S): (Attach supplemental sheet if more space is required.)

LAST NAME	FIRST	MIDDLE	LICENSE NO.
Date of Change: _____ 20 _____ MONTH DAY			

9. **OUT-OF-STATE CPA SHAREHOLDER(S)** – List the names of all out-of-state licensed CPA shareholders(s) – See Section 13403 of the Corporations Code and Section 5154 of the Business and Professions Code. (Attach supplemental sheet if more space is required.)

LAST NAME	FIRST	MIDDLE	LICENSE NO./STATE

FORMER OUT-OF-STATE CPA/PA SHAREHOLDER(S): (Attach supplemental sheet if more space is required.)

LAST NAME	FIRST	MIDDLE	LICENSE NO./STATE
Date of Change: _____ 20 _____ MONTH DAY			

10. **NONLICENSEE SHAREHOLDER(S)** – List the names of all nonlicensee shareholder(s). See Section 5079 of the Business and Professions Code. NOTE: The number of nonlicensed persons as owners must be equal to or less than the number of CPA/PA shareholders. (Attach supplemental sheet if more space is required.)

LAST NAME	FIRST	MIDDLE

FORMER NONLICENSEE SHAREHOLDER(S). (Attach supplemental sheet if more space is required.)

LAST NAME	FIRST	MIDDLE
Date of Change: _____ 20 _____ MONTH DAY		

11. For accountancy corporations which DO NOT include nonlicensed persons as shareholders, do the SHARE CERTIFICATES and BYLAWS of the applicant corporation comply with Section 75.9 of Title 16 of the California Code of Regulations and Sections 13406 and 13407 of the Corporations Code?	Yes <input type="checkbox"/> No <input type="checkbox"/>
For accountancy corporations which DO include nonlicensed persons as shareholders, do the SHARE CERTIFICATES and BYLAWS of the applicant corporation comply with Section 75.9(b) of Title 16 of the California Code of Regulations, Section 5079 of the Business and Professions Code and Sections 13406 and 13407 of the Corporations Code?	Yes <input type="checkbox"/> No <input type="checkbox"/>
12. Is the applicant an existing corporation and are its organization, bylaws, articles of incorporation and general plan of operation such that its affairs will be conducted in compliance with the Accountancy Act, the Professional Corporations Act and other applicable provisions of the Corporations Code, and Division 1 of Title 16 of the California Code of Regulations, and such other laws, rules, and regulations as may be applicable?	Yes <input type="checkbox"/> No <input type="checkbox"/>

COMPLETE AND SIGN THE APPROPRIATE DECLARATION

(Attach supplemental sheet if more space is required)

ACCOUNTANCY CORPORATION DECLARATION

I am an officer of _____
(Name of Corporation)

and as such make this declaration for and on behalf of said corporation. I have read the foregoing reports and all attachments thereto and know the contents thereof, and the same are true to the best of my knowledge.

I hereby certify under penalty of perjury under the laws of the State of California that all statements, answers, and representations on this form are true, complete and accurate.

Executed this _____ day of _____, 20 _____.

SEAL

Licensee Signature

Title

NOTE: Must be executed by an officer who holds a valid license to practice public accounting.

ACCOUNTANCY CORPORATION WITH NONLICENSEE SHAREHOLDER(S) DECLARATION

We are the shareholders of _____
(Name of Corporation)

and as such make this declaration for and on behalf of said corporation. We certify this firm is in compliance with Section 5079 of the Business and Professions Code and Sections 51 and 75.9(b) of Title 16 of the California Code of Regulations. We have read the foregoing reports and attachments thereto and know the contents thereof, and the same are true to the best of our knowledge.

We hereby certify under penalty of perjury under the laws of the State of California that all statements, answers, and representations on this form are true, complete and accurate.

Executed this _____ day of _____, 20 _____.

SEAL

Nonlicensee Signature

Licensee Signature

Title

Title

NOTE: Must be executed by an officer who holds a valid license to practice public accounting.

SHAREHOLDER SECURITY FOR CLAIMS AGAINST CORPORATION AGREEMENT

Section 75.8 of Title 16 of the California Code of Regulations states:

- a) An accountancy corporation shall provide and maintain adequate security for claims against it by its clients arising out of the rendering of, or failure to render, professional services. Security for such claims shall consist of either of the following:
- (1) Insurance for each claim in an amount equal to at least \$100,000 per licensee, provided that the maximum amount for each claim shall not be required to exceed \$1,000,000, and that the minimum amount guaranteed for all claims during any one calendar year shall be at least an amount equal to \$250,000 per licensee, provided that the maximum amount shall not be required to exceed \$3,000,000; or
 - (2) A written agreement of the shareholder(s), that they shall jointly and severally guarantee payment by the corporation of liabilities to its clients arising out of the rendering of, or failure to render, professional services.
- b) In the event of failure to comply with the requirements of this section, each and every shareholder of the corporation shall be deemed to have agreed to be jointly and severally liable for claims against the corporation by its clients arising out of the rendering of, or failure to render, professional services.

SHAREHOLDER(S) SHALL COMPLETE AND SIGN ONE OF THE FOLLOWING DECLARATIONS.

The undersigned is/are the shareholder(s) of _____
Name of Corporation

(1) Section 75.8(a)(1) – Signature(s) required if the following declaration is completed.

The undersigned certify that the corporation has insurance in the amount specified in Section 75.8(a)(1).

Executed this _____ day of _____, 20____.

CPA/PA Shareholder(s)	Nonlicensee Shareholder(s)
_____	_____
_____	_____
_____	_____
_____	_____

(2) Section 75.8(a)(2) – Signature(s) required if the following declaration is completed.

The undersigned shareholder(s) agree(s) to jointly and severally guarantee payment by the corporation of liabilities to its clients arising out of the rendering of, or failure to render, professional services as specified in Section 75.8(a)(2).

Executed this _____ day of _____, 20____.

CPA/PA Shareholder(s)	Nonlicensee Shareholder(s)
_____	_____
_____	_____
_____	_____
_____	_____